



**FILED**  
11-04-16  
04:59 PM

**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking into Policies to  
Promote a Partnership Framework between  
Energy Investor Owned Utilities and the  
Water Sector to Promote Water-Energy  
Nexus Programs.

Rulemaking 13-12-011  
(Filed December 19, 2013)

**REPLY COMMENTS OF  
PACIFIC GAS AND ELECTRIC COMPANY (U39 M) IN RESPONSE TO  
ASSIGNED COMMISSIONER'S RULING ENTERING WORKSHOP  
REPORTS INTO THE RECORD AND SEEKING COMMENTS  
DATED OCTOBER 26, 2016**

EVELYN C. LEE  
MARY A. GANDESBERY

Pacific Gas and Electric Company  
77 Beale Street  
San Francisco, CA 94105  
Telephone: (415) 973-2786  
Facsimile: (415) 973-5520  
E-Mail: [ECL8@pge.com](mailto:ECL8@pge.com)

Attorneys for  
PACIFIC GAS AND ELECTRIC COMPANY

Dated: November 4, 2016

**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking into Policies to  
Promote a Partnership Framework between Energy  
Investor Owned Utilities and the Water Sector to  
Promote Water-Energy Nexus Programs.

Rulemaking13-12-011  
(Filed December19, 2013)

**REPLY COMMENTS OF  
PACIFIC GAS AND ELECTRIC COMPANY (U39 M) IN RESPONSE TO  
ASSIGNED COMMISSIONER’S RULING ENTERING WORKSHOP  
REPORTS INTO THE RECORD AND SEEKING COMMENTS  
DATED OCTOBER 26, 2016**

**I. INTRODUCTION AND SUMMARY**

Pacific Gas and Electric Company (“PG&E”) respectfully files its reply comments in response to the Assigned Commissioner’s Ruling (“ACR”) dated October 26, 2016. The ACR (1) enters into the record the report of the October 20, 2016 workshop held on Communications for Optimized Water and Energy Management (“Eighth Workshop”) and (2) seeks comments on the Eighth Workshop report and meta-themes and questions. PG&E participated in the Eighth Workshop; its workshop presentation is appended as pages 35-41 of the PDF version of the report.

Opening comments were filed by Pacific Bell Telephone Company, doing business as AT&T California (“AT&T”). AT&T reiterated its prior comments that water and energy utilities currently work with communications providers when needed to develop products that improve water and energy services, and that there is no need for the California Public Utilities Commission (“CPUC” or “Commission”) to consider separate or special proceedings regarding communications services for water and energy utilities.

While communications providers do work with PG&E to provide service on a collaborative basis, at the Eighth Workshop, PG&E explained that particular types of telecommunications are needed to support the safe deployment of distributed energy resources (“DER”) under certain conditions. These telecommunications service issues are significant

enough that they should be systematically addressed by the Commission in the appropriate proceeding within California's Distributed Energy Resources Action Plan ("DER Plan").<sup>1/</sup>

## **II. RESPONSE OF PG&E**

PG&E submits these comments from its perspective as a CPUC-jurisdictional energy investor-owned utility ("IOU") engaged in the procurement of electricity from third-party DERs. As PG&E explained at the workshop and documented in its presentation, telecommunications infrastructure is needed to support the communications functions essential to the development of DERs as viable sources of electricity. PG&E has identified three functions – Direct Transfer Trip ("DTT"), control, and telemetry/monitoring of generation resources, for which it employs telecommunications media. At the workshop, PG&E indicated that safety must be the primary protection goal of telecommunications for DER.<sup>2/</sup> As DERs are added to the grid, the operating characteristics of the grid are changing. This leads to increasing operational complexity, as information about the operations of distributed resources necessary for safe operation is limited by existing communications technology. Granular visibility to advance PG&E's planning and operating capabilities will be needed.

PG&E described how faults are detected<sup>3/</sup> and the suitability of various types of communication media, ranging from cellular to land-based wire, to perform fault detection.<sup>4/</sup> PG&E has noticed that the only tested and approved commercial telecommunications service for delivery of a Direct Transfer Trip signal, a 4-Wire Class A DS0 or DS1 has been designated for retirement by AT&T. AT&T's notice offers no eligible replacement services at this time.<sup>5/</sup> Because fiber is a viable/recommended alternative for all applications, PG&E reiterates the

---

<sup>1/</sup> The Commission intends to adopt a final version of the DER Plan in the near future. The most recent version, which is the Discussion Draft dated September 29, 2016, is available at this link: [http://www.cpuc.ca.gov/uploadedFiles/CPUC\\_Public\\_Website/Content/About\\_Us/Organization/Commissioners/Michael\\_J.\\_Picker/2016-09-26%20DER%20Action%20Plan%20FINAL3.pdf](http://www.cpuc.ca.gov/uploadedFiles/CPUC_Public_Website/Content/About_Us/Organization/Commissioners/Michael_J._Picker/2016-09-26%20DER%20Action%20Plan%20FINAL3.pdf)

<sup>2/</sup> PG&E Slide 4.

<sup>3/</sup> PG&E Slide 5

<sup>4/</sup> PG&E Slide 3.

<sup>5/</sup> AT&T's "GP-4.1 Withdrawal of Service Matrix" identifies "Affected Services" that AT&T plans to withdraw from the marketplace, upon notification to customers. See <http://serviceguidenew.att.com/servlet/servlet.FileDownload?file=00P1A00000tYEFMUA4>

recommendation that it made in its October 21, 2016 presentation; that the expansion of broadband telecommunications service in rural areas be planned and executed in collaboration with the energy IOUs.<sup>6/</sup>

AT&T referred to PG&E's recommendation in its reply comments dated October 31, 2016, and asserted that:

(I)t is clear that energy IOUs cannot be allowed to dictate rural broadband deployment. Both the FCC, via the Connect America Fund program, and the Commission through the CASF program, already promote broadband deployment. The goal of those programs is to advance broadband deployment generally, not just to those areas of most benefit to energy IOUs. While companies always can collaborate and share concerns information, there is no need for any mandate or grant of authority to energy IOUs when it comes to broadband deployment.<sup>7/</sup>

AT&T misconstrues PG&E's position. PG&E does not seek to dictate rural broadband deployment, but rather to collaborate with the entities responsible for broadband development so that the needs of DER are not overlooked in the deployment process. As the Commission knows, PG&E would not benefit financially from the purchase of energy from generators, as only the reasonable costs of purchased power are passed through in rates. As the owners of the local distribution facilities to which DERs will most likely interconnect, energy IOUs are knowledgeable about the prospective demand of DERs for communications services and need to share this information with telecommunications providers through a collaborative process.

The ACR suggests that within the Water-Energy Nexus rulemaking, the Commission might consider the availability of telecommunications resources for the optimal integration of supply-side resources to the grid. These issues are not related to the original purpose of this rulemaking and should be shifted to a proceeding within the DER Action Plan.

The DER Action Plan process seeks to achieve wholesale DER market integration and interconnection by providing long-range vision and near term action in matters of planning,

---

<sup>6/</sup> PG&E's Opening Comments in response to ACR dated October 5, 2016, filed October 21, 2016, p. 3.

<sup>7/</sup> *Reply Comments of AT&T California (U 1001 C) on Assigned Commissioner's Ruling Entering Workshop Reports Into The Record and Seeking Comments, Dated October 5, 2016*, filed October 31, 2016.

distribution grid infrastructure, interconnection, and procurement. Track 3 of the Distribution Resources Plan (“DRP”) proceeding will examine specific technologies that the utilities may need to manage and accommodate DERs throughout their systems and whether to establish guidelines to govern utilities proposed grid modernization investments in the future.

The availability of telecommunications services is not currently within the scope of the DER Action Plan. However, the Eighth Workshop has provided PG&E the opportunity to explain to the Commission the need for communications media to support the deployment of DERs. PG&E recommends that the availability of telecommunications services to support DER deployment should be considered in an appropriate proceeding within the DER Plan, such as the DRP, along with other matters of relevance to prospective developers who may wish to provide input on this issue.

### **III. CONCLUSION.**

PG&E appreciates the opportunity to inform the Commission about the important role that communications media play in assuring that DERs can be interconnected and operated safely as a component in the electric grid. The Commission should further consider these issues in an appropriate proceeding identified in the DER Action Plan.

Respectfully submitted,

EVELYN C. LEE  
MARY A. GANDESBERY

By: /s/Evelyn C. Lee  
EVELYN C. LEE

Pacific Gas and Electric Company  
77 Beale Street, 3085  
San Francisco, CA 94105  
Telephone: (415) 973-2786  
Facsimile: (415) 973-5520  
E-Mail: [ECL8@pge.com](mailto:ECL8@pge.com)

Attorney for  
PACIFIC GAS AND ELECTRIC COMPANY

Dated: November 4, 2016